

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

UNITED STATES OF AMERICA

v.

JEFFREY BIZZACK,

Defendant

) Criminal No.

) Violation:

) Count One: Conspiracy to Commit Mail
) Fraud and Honest Services Mail Fraud
) (18 U.S.C. § 1349)

INFORMATION

At all times relevant to this Information:

General Allegations

1. The defendant, JEFFREY BIZZACK ("BIZZACK"), was a resident of Solana Beach, California.
2. The Edge College & Career Network, LLC, also known as "The Key," was a for-profit college counseling and preparation business based in Newport Beach, California that was established in or about 2007 and registered in California in or about 2012.
3. The Key Worldwide Foundation ("KWF") was a non-profit corporation founded in or about 2012 and based in Newport Beach, California. In or about 2013, the Internal Revenue Service ("IRS") approved KWF as an exempt organization under Section 501(c)(3) of the Internal Revenue Code, meaning that KWF was exempt from paying federal income tax, and that individuals who contributed to KWF could deduct those contributions from their taxable income, subject to certain limitations.
4. ACT, Inc. was a non-profit organization headquartered in Iowa City, Iowa that administered the ACT, a standardized test that is widely used as part of the college admissions process in the United States.

FILED
IN CLERKS OFFICE
JUN 28 AM 9:57
DISTRICT COURT
DISTRICT OF MASS.

5. The College Board was a non-profit organization headquartered in New York, New York. Together with Educational Testing Service (“ETS”), a non-profit organization headquartered in Lawrence Township, New Jersey, the College Board developed and administered the SAT, a standardized test that, like the ACT, is widely used as part of the college admissions process in the United States. The College Board and ETS (collectively “the College Board”) also developed and administered SAT subject tests, which are also used as part of the college admissions process.

6. Georgetown University (“Georgetown”) was a highly selective private university located in Washington, D.C.

7. The University of Southern California (“USC”) was a highly selective private university located in Los Angeles, California.

8. William “Rick” Singer was a resident, variously, of Sacramento and Newport Beach, California. Singer founded and, together with others, operated The Key and KWF.

9. Mark Riddell was a resident of Palmetto, Florida. Riddell was employed at relevant times as the director of college entrance exam preparation at a private college preparatory school and sports academy in Bradenton, Florida.

10. Igor Dvorskiy was a resident of Sherman Oaks, California. Dvorskiy was employed as the director of a private elementary and high school located in West Hollywood, California (the “West Hollywood Test Center”). Dvorskiy also served as a compensated standardized test administrator for ACT, Inc. and the College Board.

11. Niki Williams was a resident of Houston, Texas. Williams was employed as an assistant teacher at a public high school in Houston (the “Houston Test Center”). Williams also served as a compensated standardized test administrator for ACT, Inc. and the College Board.

12. Gordon Ernst was a resident of Chevy Chase, Maryland and Falmouth, Massachusetts. Until January 2018, Ernst was employed as the head coach of men's and women's tennis at Georgetown.

13. Donna Heinel was a resident of Long Beach, California. Heinel was employed as the senior associate athletic director at USC.

14. Laura Janke was a resident of North Hollywood, California. Until January 10, 2014, Janke was employed as an assistant coach of women's soccer at USC.

General Background on Standardized Testing and the College Admissions Process

15. Most selective colleges and universities in the United States require prospective students to submit standardized test scores—typically, either the ACT or the SAT—as part of their application packages. When submitted, standardized test scores are a material part of the admissions process.

16. The ACT includes sections on English, mathematics, reading, and science, and is scored on a scale of 1 to 36.

17. The SAT includes sections on writing, critical reading, and mathematics. Between 2005 and January 2016, the SAT was scored on a scale of 600 to 2400. As of March 2016, the SAT has been scored on a scale of 400 to 1600.

18. The ACT and the SAT are typically administered to large groups of students on specified dates and under strict time limits. In some instances, however, students with certain learning or other disabilities may qualify for testing accommodations, including extended time, and, in such circumstances, may take the test alone, under the supervision of a test administrator retained by ACT, Inc. or the College Board or ETS.

19. Compensated ACT and SAT administrators owe a duty of honest services to ACT, Inc. and/or the College Board.

20. Prior to administering the ACT, test administrators must typically certify that they will administer the test in accordance with the ACT Administration Manual, and that they will ensure that the “test materials are kept secure and confidential, used for this examinee only, and returned to ACT immediately after testing.”

21. Similarly, prior to administering the SAT, test administrators must typically certify that they will administer the test in accordance with the SAT coordinator’s manual, that the SAT test is the property of the College Board, and that no one other than the student can “open the test book and see the test content.”

22. The ACT tests are typically sent to and from the testing sites via Federal Express, a private, interstate commercial carrier.

23. The SAT tests are typically sent to and from the testing sites via United Parcel Service (“UPS”), a private, interstate commercial carrier.

24. The ACT and SAT tests, and the scores students earn on those tests, are the intellectual and physical property of ACT, Inc. and the College Board, respectively.

25. The athletic teams of Georgetown and USC (collectively, the “Universities”) compete in most sports at the Division I level, the highest level of intercollegiate athletics sanctioned by the National Collegiate Athletic Association (“NCAA”).

26. Many selective colleges and universities in the United States, including the Universities, recruit students with demonstrated athletic abilities, and typically apply different criteria when evaluating applications from such students, with the expectation that recruited athletes will be contributing members of the Universities’ athletic teams once enrolled. Typically,

the admissions offices at the Universities allot a set number of admission slots to each head coach of a sport for that coach's recruited athletes. At each of the Universities, the admissions prospects of recruited athletes are higher—and in some cases substantially higher—than those of non-recruited athletes with similar grades and standardized test scores.

27. University athletic coaches and administrators owe a duty of honest services to the Universities where they are employed.

28. At each of the Universities, admissions slots, the determination of which students to admit, and the resulting composition of undergraduate classes are important assets of the University.

The Conspiracy

29. From in or about 2008 through in or about February 2019, the defendant, JEFFREY BIZZACK, conspired with others known and unknown to the United States Attorney to use bribery and other forms of fraud to facilitate the admission of applicants to colleges and universities in the District of Massachusetts and elsewhere.

Objects and Purposes of the Conspiracy

30. The principal objects and purposes of the conspiracy were to commit mail fraud and honest services mail fraud, in violation of Title 18, United States Code, Sections 1341 and 1346, by, among other things:

- a. Cheating on college entrance exams, including in many instances by bribing exam administrators to permit such cheating;
- b. Bribing university athletic coaches and administrators to designate applicants as purported athletic recruits—regardless of their athletic abilities, and in some cases, even though they did not play the sport they were purportedly recruited to play;
- c. Having a third party take classes in place of the actual students, with the understanding that grades earned in those classes would be submitted as part of the students' college applications; and
- d. Submitting falsified applications for admission to universities in the District of Massachusetts and elsewhere that, among other things, included the fraudulently obtained exam scores and class grades, and often listed fake awards and athletic activities.

Manner and Means of the Conspiracy

31. Among the manner and means by which the defendant and others known and unknown to the United States Attorney carried out the conspiracy were the following:

- a. Seeking extended time for applicants on college entrance exams, including by having the applicants purport to have learning disabilities in order to obtain the medical documentation that ACT, Inc. and the College Board typically require before granting students extended time;

- b. Changing the location of the exams to one of two test centers: the West Hollywood Test Center or the Houston Test Center;
- c. Bribing college entrance exam administrators at the West Hollywood Test Center and the Houston Test Center to permit cheating, in violation of their duty of honest services to ACT, Inc. and/or the College Board;
- d. Paying Riddell or another third party to pose as an ACT or SAT exam proctor, or as a student purportedly taking the exam, so that he could secretly provide students with answers during the exam, replace the students' exam responses with his own, or simply take the exam in place of the students;
- e. Submitting the fraudulently obtained ACT and SAT scores as part of the college admissions process, including to colleges and universities in the District of Massachusetts.
- f. Bribing university athletic coaches and administrators to designate students as purported athletic recruits or as members of other favored admissions categories;
- g. Fabricating athletic "profiles" containing falsified athletic credentials—including fake honors the students purportedly received, elite athletic teams they purportedly played on, and staged photographs of the students purportedly engaged in athletic activity—to submit in support of the students' college applications; and
- h. Explaining to clients and prospective clients of The Key that these fraudulent schemes were tried-and-true methods of improving exam scores

and gaining admission to college that had been successfully employed by many other clients.

Acts in Furtherance of the Conspiracy

32. On various dates from in or about 2008 through in or about February 2019, the defendant and others known and unknown to the United States Attorney committed and caused to be committed the following acts, among others, in furtherance of the conspiracy:

33. Beginning in or about the summer of 2017, BIZZACK agreed with Singer to pay an amount, ultimately totaling \$250,000, to facilitate the admission of BIZZACK's son to USC as a purported athletics recruit.

34. On or about July 14, 2017, Singer e-mailed Janke, telling her that he had met with Heinel, and that Heinel had agreed to facilitate the admission of a number of children of Singer's clients to USC as purported athletic recruits. One of those children was BIZZACK's son, who would be designated as a purported water polo recruit. Janke agreed to create falsified athletic profiles for the children of Singer's clients in exchange for money.

35. On or about July 16, 2017, Singer e-mailed BIZZACK asking for his son's biographical information so that he could create the falsified athletics profile and otherwise complete the admissions package.

36. On or about July 26, 2017, BIZZACK's son sent Singer his academic transcripts.

37. That same day, Singer forwarded BIZZACK's son's materials to Janke, and instructed her to create a fabricated athletics profile of BIZZACK's son. In doing so, Singer changed the sport for the profile from water polo to volleyball.

38. On or about August 7, 2017, Janke e-mailed Singer a fabricated volleyball profile for BIZZACK's son. Singer sent the profile to Heinel on or about August 15, 2017.

39. On or about October 19, 2017, Heinel presented BIZZACK's son to the USC subcommittee for athletic admissions as a purported volleyball recruit.

40. On or about November 21, 2017, USC issued a letter addressed to BIZZACK's son, but intercepted by BIZZACK, notifying BIZZACK's son of his conditional admission to USC as a student-athlete. The letter stated: "Your records indicate that you have the potential to make a significant contribution to the intercollegiate athletic program as well as to the academic life of the university."

41. On or about December 5, 2017, BIZZACK, acting at Singer's direction, issued a \$50,000 check to the USC "Galen Center."

42. In late March, 2018, USC mailed BIZZACK's son a formal acceptance letter.

43. In March and April, 2018, BIZZACK made multiple payments to KWF, in amounts totaling \$200,000.

44. Beginning in or about July 2018, Singer began making monthly payments to Heinel, from KWF, in the amount of \$20,000, in exchange for her assistance with facilitating the admission of BIZZACK's son and the children of other Singer clients.

45. To disguise the purpose of these payments, Heinel e-mailed Singer falsified invoices, including an invoice in or about November 2018 that indicated it was for the "Interview, evaluation and assessment[s]" of multiple students, including BIZZACK's son.

Other Co-Conspirators

46. In addition to the athletic coaches and university administrators Singer bribed on behalf of the defendant, as set forth above, Singer likewise bribed athletic coaches and university administrators on behalf of other co-conspirators known and unknown to the United States Attorney to designate the children of those co-conspirators as athletic recruits. As an example:

- a. Between 2012 and 2018, Singer paid Ernst bribes falsely labeled as “consulting” fees totaling more than \$2.7 million.
- b. Singer typically made the payments to Ernst from one of the KWF charitable accounts and sent them to Ernst via U.S. Mail, including in at least one instance to Ernst’s residence in Falmouth, Massachusetts.
- c. In exchange for the bribes, Ernst designated at least 12 applicants as recruits for the Georgetown tennis team, including some who did not play tennis competitively, thereby facilitating their admission to Georgetown.

47. Singer also paid Riddell to cheat on the SAT and ACT for the children of other co-conspirators known and unknown to the United States Attorney and, in many of those instances, bribed exam administrators Dvorskiy and Williams to permit Riddell to do so. As examples:

- a. In or about October 2011, Riddell provided Student 1, a high school student in Florida, with answers to her SAT subject tests while purporting to proctor Student 1’s exams.
- b. On or about October 3, 2015, Riddell secretly corrected SAT answers for Student 2, a high school student in California, who later submitted those scores to Boston University, Boston College, and Northeastern University, all of which are located in the District of Massachusetts.
- c. On or about December 9, 2017, Riddell corrected SAT answers for Student 3, a high school student in California, who later submitted those scores to Northeastern University.

COUNT ONE
Conspiracy to Commit Mail Fraud
and Honest Services Mail Fraud
(18 U.S.C. § 1349)

The United States Attorney charges:

48. The United States Attorney re-alleges and incorporates by reference paragraphs 1-47 of this Information.

49. From in or about 2008 through in or about February 2019, in the District of Massachusetts and elsewhere, the defendant,


JEFFREY BIZZACK,

conspired with others known and unknown to the United States Attorney to commit mail fraud and honest services mail fraud, that is, having devised and intending to devise a scheme and artifice to defraud and to obtain money and property, to wit, ACT and SAT tests and test scores, and admission to the Universities, by means of materially false and fraudulent pretenses, representations, and promises, and to defraud and deprive, variously, ACT, Inc., the College Board, ETS and the Universities, of their right to the honest and faithful services of their test administrators, athletic coaches and university administrators, through bribes and kickbacks, did, for the purpose of executing and attempting to execute the scheme, deposit and cause to be deposited any matter and thing whatever to be sent and delivered by any private and commercial interstate carrier, in violation of Title 18, United States Code, Sections 1341 and 1346.

All in violation of Title 18, United States Code, Section 1349.

ANDREW E. LELLING
UNITED STATES ATTORNEY

By:



ERIC S. ROSEN
JUSTIN D. O'CONNELL
KRISTEN A. KEARNEY
LESLIE A. WRIGHT
Assistant United States Attorneys

Date: June 28, 2019



U.S. Department of Justice

*Andrew E. Lelling
United States Attorney
District of Massachusetts*

Main Reception: (617) 748-3100

*John Joseph Moakley United States Courthouse
1 Courthouse Way
Suite 9200
Boston, Massachusetts 02210*

June 10, 2019

Seth P. Berman, Esq.
Nutter McClennen and Fish LLP
155 Seaport Blvd.
Boston, MA 02210

Kate Corrigan, Esq.
Corrigan Welbourn & Stokke. APLC
4100 Newport Place, Suite 550
Newport Beach, CA. 92660

Jeremy N. Goldman, Esq.
Law Offices of Jeremy N. Goldman
19200 Von Karman Avenue, Suite 300
Irvine, CA 92612

Re: United States v. Jeffrey Bizzack

Dear Mr. Berman, Ms. Corrigan and Mr. Goldman:

The United States Attorney for the District of Massachusetts ("the U.S. Attorney") and your client, Jeffrey M. Bizzack ("Defendant"), agree as follows pursuant to Federal Rule of Criminal Procedure 11(c)(1)(B):

I. Change of Plea

No later than August 15, 2019, Defendant will waive Indictment and plead guilty to Count One of the Information charging him with conspiracy to commit mail fraud and honest services mail fraud, in violation of Title 18, United States Code, Section 1349. Defendant admits that he committed the crime specified in that count and is in fact guilty of that crime. Defendant also agrees to waive venue, to waive any applicable statute of limitations, and to waive any legal or procedural defects in the Information. Defendant agrees not to dispute the accuracy of the facts alleged in the Information.

The U.S. Attorney agrees not to charge Defendant with further criminal offenses based on the conduct underlying the crime charged in this case that is known to the U.S. Attorney at this time.

2. Penalties

Defendant faces the following maximum penalties: incarceration for 20 years; supervised release for three years; a fine of \$250,000, or twice the gross gain or loss, whichever is greater; a mandatory special assessment of \$100; restitution; and forfeiture to the extent charged in the Information.

3. Sentencing Guidelines

The parties agree, based on the following calculations, that Defendant's total "offense level" under the Guidelines is 15:

- a) Defendant's base offense level is 8 because the offense of conviction includes conspiracy to commit honest services mail fraud (USSG § 2B4.1(a));
- b) Defendant's offense level is increased by 10, because the value of the bribe is more than \$150,000 but not more than \$250,000 (USSG §§ 2B4.1(b)(1)(B), 2B1.1(b)(1)(F)); and,
- c) Defendant's offense level is decreased by 3, because Defendant has accepted responsibility for his crime (USSG § 3E1.1(b)).

Defendant understands that the Court is not required to follow this calculation, and that Defendant may not withdraw his guilty plea if Defendant disagrees with how the Court calculates the Guidelines or with the sentence the Court imposes.

Defendant also understands that the government will object to any reduction in his sentence based on acceptance of responsibility if: (a) at sentencing, Defendant does not clearly accept responsibility for the crime he is pleading guilty to committing; or (b) by the time of sentencing, Defendant has committed a new federal or state offense, or has in any way obstructed justice.

If, after signing this Agreement, Defendant's criminal history score or Criminal History Category is reduced, the U.S. Attorney reserves the right to seek an upward departure under the Guidelines.

Nothing in this Plea Agreement affects the U.S. Attorney's obligation to provide the Court and the U.S. Probation Office with accurate and complete information regarding this case.

4. Sentence Recommendation

The U.S. Attorney agrees to recommend the following sentence to the Court:

- a) a term of imprisonment of 9 months;
- b) a fine or other financial penalty of \$75,000;
- c) 12 months of supervised release;
- d) a mandatory special assessment of \$100, which Defendant must pay to the Clerk of the Court by the date of sentencing;
- e) restitution in an amount to be determined by the Court at sentencing; and
- f) forfeiture as set forth in Paragraph 6.

In addition, the parties agree jointly to recommend the following special condition of any term of supervised release or probation:

During the period of supervised release or probation, Defendant must, within six months of sentencing or release from custody, whichever is later:

- a) cooperate with the Examination and Collection Divisions of the IRS;
- b) provide to the Examination Division all financial information necessary to determine Defendant's prior tax liabilities;
- c) provide to the Collection Division all financial information necessary to determine Defendant's ability to pay;
- d) file accurate and complete tax returns for those years for which returns were not filed or for which inaccurate returns were filed; and
- e) make a good faith effort to pay all delinquent and additional taxes, interest, and penalties.

5. Waiver of Appellate Rights and Challenges to Conviction or Sentence

Defendant has the right to challenge his conviction and sentence on "direct appeal." This means that Defendant has the right to ask a higher court (the "appeals court") to look at what happened in this case and, if the appeals court finds that the trial court or the parties made certain mistakes, overturn Defendant's conviction or sentence. Also, in some instances, Defendant has the right to file a separate civil lawsuit claiming that serious mistakes were made in this case and that

his conviction or sentence should be overturned.

Defendant understands that he has these rights, but now agrees to give them up. Specifically, Defendant agrees that:

- a) He will not challenge his conviction on direct appeal or in any other proceeding, including in a separate civil lawsuit; and
- b) He will not challenge any prison sentence of 24 months or less or any court orders relating to forfeiture, restitution, fines or supervised release. This provision is binding even if the Court's Guidelines analysis is different than the one in this Agreement.
- c) The U.S. Attorney agrees that, regardless of how the Court calculates Defendant's sentence, the U.S. Attorney will not appeal any sentence of imprisonment of 9 months or more.

Defendant understands that, by agreeing to the above, he is agreeing that his conviction and sentence will be final when the Court issues a written judgment after the sentencing hearing in this case. That is, after the Court issues a written judgment, Defendant will lose the right to appeal or otherwise challenge his conviction and sentence, regardless of whether he later changes his mind or finds new information that would have led him not to agree to give up these rights in the first place.

Defendant acknowledges that he is agreeing to give up these rights at least partly in exchange for concessions the U.S. Attorney is making in this Agreement.

The parties agree that, despite giving up these rights, Defendant keeps the right to later claim that his lawyer rendered ineffective assistance of counsel, or that the prosecutor engaged in misconduct serious enough to entitle Defendant to have his conviction or sentence overturned.

6. Forfeiture

Defendant hereby waives and releases any claims Defendant may have to any vehicles, currency, or other personal property seized by the United States, or seized by any state or local law enforcement agency and turned over to the United States, during the investigation and prosecution of this case, and consents to the forfeiture of all such assets.

7. Civil Liability

This Plea Agreement does not affect any civil liability, including any tax liability, Defendant has incurred or may later incur due to his criminal conduct and guilty plea to the charge specified in Paragraph 1 of this Agreement.

8. Breach of Plea Agreement

Defendant understands that if he breaches any provision of this Agreement, Defendant cannot use that breach as a reason to withdraw his guilty plea. Defendant's breach, however, would give the U.S. Attorney the right to be released from his commitments under this Agreement, and would allow the U.S. Attorney to pursue any charges that were, or are to be, dismissed under this Agreement.

If Defendant breaches any provision of this Agreement, the U.S. Attorney would also have the right to use against Defendant any of Defendant's statements, and any information or materials he provided to the government during investigation or prosecution of his case. The U.S. Attorney would have this right even if the parties had entered any earlier written or oral agreements or understandings about this issue.

Finally, if Defendant breaches any provision of this Agreement, he thereby waives any defenses based on the statute of limitations, constitutional protections against pre-indictment delay, and the Speedy Trial Act, that Defendant otherwise may have had to any charges based on conduct occurring before the date of this Agreement.

9. Who is Bound by Plea Agreement

This Agreement is only between Defendant and the U.S. Attorney for the District of Massachusetts. It does not bind the Attorney General of the United States or any other federal, state, or local prosecuting authorities.

10. Modifications to Plea Agreement

This Agreement can be modified or supplemented only in a written memorandum signed by both parties, or through proceedings in open court.

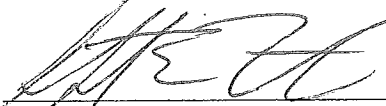
* * *

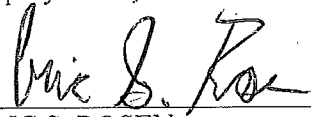
If this letter accurately reflects the agreement between the U.S. Attorney and Defendant, please have Defendant sign the Acknowledgment of Plea Agreement below. Please also sign below as Witness. Return the original of this letter to Assistant U.S. Attorney Eric S. Rosen.

Sincerely,

ANDREW E. LELLING
United States Attorney

By:


STEPHEN E. FRANK
Chief, Securities and Financial Fraud Unit
JORDI DE LLANO
Deputy Chief, Securities and Financial Fraud Unit


ERIC S. ROSEN
JUSTIN D. O'CONNELL
LESLIE A. WRIGHT
KRISTEN A. KEARNEY
Assistant U.S. Attorneys

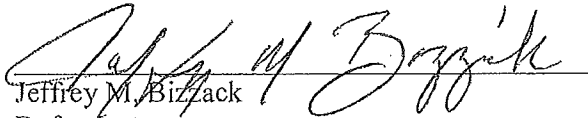
ACKNOWLEDGMENT OF PLEA AGREEMENT

I have read this letter and discussed it with my attorneys. The letter accurately presents my agreement with the United States Attorney's Office for the District of Massachusetts. There are no unwritten agreements between me and the United States Attorney's Office, and no United States government official has made any unwritten promises or representations to me in connection with my guilty plea. I have received no prior offers to resolve this case.

I understand the crime I am pleading guilty to, and the maximum penalties for that crime. I have discussed the Sentencing Guidelines with my lawyers and I understand the sentencing ranges that may apply.

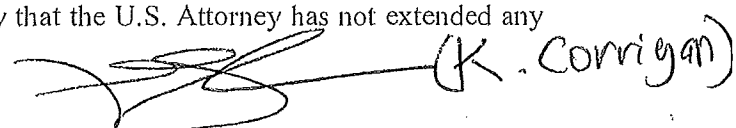
I am satisfied with the legal representation my lawyers have given me and we have had enough time to meet and discuss my case. We have discussed the charge against me, possible defenses I might have, the terms of this Agreement, and whether I should go to trial.

I am entering into this Agreement freely and voluntarily and because I am in fact guilty of the offense. I believe this Agreement is in my best interest,


Jeffrey M. Bizzack
Defendant

Date: 6-26-19

We certify that Jeffrey M. Bizzack has read this Agreement and that we have discussed what it means. We believe Jeffrey M. Bizzack understands the Agreement and is entering into it freely, voluntarily, and knowingly. We also certify that the U.S. Attorney has not extended any other offers regarding a change of plea in this case.

 (K. Corrigan)

Seth P. Berman, Esq.
Kate Corrigan, Esq.
Jeremy N. Goldman, Esq.
Attorneys for Defendant

Date: 6/26/19